V. Shivkumar & Associates
Chartered Accountants

Independent Auditors' Report

To the Members of
Prime Focus Technologies Inc.

Report on the Financial Statements

We have audited the accompanying consolidated financial statements of **Prime Focus Technologies Inc** ('the Company') which comprise the Consolidated Balance Sheet as at 31st March, 2024, the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March, 2024, profit and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these Consolidated financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these Consolidated financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the Consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

V. SHIVKUMAR & ASSOCIATES
FRN: 112781W
MUMBAI - 400 053
CHARTERED ACCOUNTANTS

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the Consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

(i) in the case of the Consolidated Balance Sheet, of the state of affairs of the Company as at 31st March, 2024;

(ii) in the case of the Consolidated Statement of Profit and Loss, the **Profit** for the year ended on that date;

(iii) in the case of the Consolidated Cash Flow Statement for the year ended on that date.

Report on Other Legal and Regulatory Requirements

As required by Section 143 (3) of the Act, we report that:

a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;

b. In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

c. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the books of account; and

d. In our opinion, the aforesaid Consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;

e. On the basis of the written representations received from the directors as on 31 March, 2024, taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2024 from being appointed as a director in terms of section 164(2) of the Act.

f. With respect to the adequacy of the internal financial controls with reference to Consolidated financial statements of the Company and the operating effectiveness of such controls.

g. Based on our examination, which include test checks, the Company has used accounting software for maintaining its books of account for the financial year ended 31st March, 2024, which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software, except that:

   a) the audit trail feature was not enabled for the changes made by certain privileged/ administrative users and

   b) the audit trail feature was not enabled at the database level to log direct data changes.

   As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from 1st April, 2024, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for the record retention is not applicable for the year ended 31st March, 2024.

For **V. Shivkumar & Associates**
Chartered Accountants
FRN No.: 112781W

V. SHIVKUMAR & ASSOCIATES
FRN: 112781W
MUMBAI - 400 053
CHARTERED ACCOUNTANTS

Place: Mumbai
Date: 22nd May, 2024
UDIN: 24042673BKASBD9781

Shivakumar

V. Shivkumar
Proprietor
M. No.: 042673

Prime Focus Technologies Inc.

Consolidated Financial Statement for the year ended

Mar 31, 2024

Prime Focus Technologies Inc.

Consolidated Balance Sheet

in USD

Particulars	Notes	31-Mar-24	31-Mar-23
Assets			
1. Non-current assets			
(a) Property, plant and equipment	3	1,808,374	2,151,723
(b) Capital work-in-progress		-	-
(c) Goodwill	3	13,816,555	13,816,555
(d) Other intangible assets	3	3,083,175	2,265,803
(e) Right to use plant & machinery	3	0	39,737
(f) Intangible assets under development	3b	130,000	894,963
(g) Financial assets		-	-
(h) Other non-current assets		-	-
(i) Deferred tax asset (net)		-	-
		18,838,105	**19,168,781**
2. Current assets			
(a) Inventories		-	-
(b) Financial assets			
(i) Trade receivables	4	1,514,700	1,489,126
(ii) Cash and cash equivalents	5	609,515	1,414,981
(iii) Others financial assets	6	7,802,615	7,488,975
(c) Income tax assets (net)		-	-
(d) Other current assets	7	2,706,855	1,040,359
		12,633,685	**11,433,441**
Total assets		**31,471,790**	**30,602,222**
Equity and Liabilities			
Equity			
(a) Equity share capital	8	22	22
(b) Other equity	9	(408,325)	(869,834)
Equity attributable to equity holders of the Parent		**(408,303)**	**(869,812)**
Non-controlling interests		-	-
		(408,303)	**(869,812)**
Liabilities			
1. Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	10	-	-
(ii) Others		-	-
(b) Deferred tax liability (net)		-	-
(c) Provisions		-	-
(d) Other non-current liabilities	11	16,024,450	16,045,582
		16,024,450	**16,045,582**
2. Current liabilities			
(a) Financial liabilities			
(i) Borrowings	12	9,877,723	10,041,470
(ii) Current maturities of long-term borrowings	13	-	21,422
(iii) Trade payables	14	1,097,386	699,827
(iv) Others	15	4,864,406	4,603,878
(b) Provisions		-	-
(c) Current tax liability		16,128	59,856
(d) Other current liabilities	16	-	-
		15,855,643	**15,426,452**
Total equity and liabilities		**31,471,790**	**30,602,222**
Accompanying notes to the consolidated financial statements	1 - 31		

In terms of report attached

For V. Shivkumar & Associates
Chartered Accountants
Firm Registration Number: 112781W

V. Shivkumar
(Proprietor)
Membership Number : 042673
Mumbai, dated: May 22, 2024
UDIN:-24042673BKASBD9781

For and on behalf of the Board of Directors

Mangesh Pathak
Director
Mumbai, dated: May 22, 2024

V. SHIVKUMAR & ASSOCIATES
FRN: 112781W
MUMBAI - 400 053
CHARTERED ACCOUNTANTS

Prime Focus Technologies Inc.
Consolidated Statement of Profit and Loss

in USD

Sr No.	Particulars	Notes	Year ended 31-Mar-24	Year ended 31-Mar-23
1	**Income from operations**			
	Net sales / income from operations		12,504,021	13,459,863
	Other operating income		-	-
	Total income from operations		**12,504,021**	**13,459,863**
2	**Expenses**			
	Employee benefits expense	17	6,325,724	4,889,423
	Technical service cost		2,407,761	2,862,497
	Depreciation and amortisation expense	3	1,207,975	1,977,380
	Other expenditure (net)	18	2,377,536	2,587,199
	Exchange loss (net)		(68,890)	279,836
	Total Expenses		**12,250,106**	**12,596,334**
3	**Profit / (Loss) from operations before other income, finance costs and exceptional items (1 - 2)**		**253,915**	**863,528**
4	Other income:			
	a) Exchange gain (net)			-
	b) Others (net)		275,046	1,162,214
5	**Profit from ordinary activities before finance costs and exceptional items (3 + 4)**		**528,961**	**2,025,742**
6	Finance costs	19	18,072	39,263
7	**Profit / (Loss) from ordinary activities after finance costs but before exceptional items (5 - 6)**		**510,888**	**1,986,479**
8	Exceptional items		-	-
9	Profit / (Loss) from ordinary activities before tax (7 - 8)		**510,888**	**1,986,479**
10	Tax expense		25,896	79,126
11	**Net Profit / (Loss) from ordinary activities for the period (9 - 10)**		**484,992**	**1,907,352**
12	Extraordinary items (net of tax expense USD Nil)		-	-
13	**Net (Loss) / Profit after tax and before minority (11 ± 12)**		**484,992**	**1,907,352**
14	Minority interest		-	-
15	**Net Profit / (Loss) for the period (13 - 14)**		**484,992**	**1,907,352**
A	**Other comprehensive income (net of tax)**			
	Items that will be reclassified to the profit or loss			-
	Exchange difference in translating the financial statements	9	(23,484)	22,592
	Total comprehensive income (net of tax) (13 + 14)		**461,508**	**1,929,944**
	Earnings per equity share of face value of USD 0.01		2,235	2,235
	(a) Basic (in USD)		217	853
	(b) Diluted (in USD)		217	853

Accompanying notes to the consolidated financial statements 1 - 31

In terms of report attached

For V. Shivkumar & Associates
Chartered Accountants
Firm Registration Number: 112781W

V. Shivkumar
(Proprietor)
Membership Number : 042673
Mumbai, dated: May 22, 2024
UDIN:-24042673BKASBD9781

For and on behalf of the Board of Directors

Mangesh Pathak
Director
Mumbai, dated: May 22, 2024

V. SHIVKUMAR & ASSOCIATES
FRN: 112781W
MUMBAI - 400 053
CHARTERED ACCOUNTANTS

Prime Focus Technologies Inc.

Consolidated Cash Flow Statement

in USD

Particulars	For the year ended 31-Mar-24	For the year ended 31-Mar-23
Cash flows from operating activities		
Net Profit (Loss) before taxation	510,888	1,986,479
Adjustments for:		
Depreciation and amortization expenses	1,207,975	1,977,380
Unrealized Forex Loss/(Gain)	(68,890)	279,836
Finance costs	18,072	39,263
Operating profits before working capital changes	**1,668,045**	**4,282,959**
Movements in working capital:		
(Increase)/ Decrease in inventory	-	-
(Increase)/ Decrease in trade receivables	(25,574)	1,075,645
(Increase)/ Decrease in other financial assets	(313,640)	(547,781)
(Increase)/ Decrease in other non-current assets	-	-
(Increase)/ Decrease in other current assets	(1,666,496)	(825,364)
Increase/(Decrease) in trade payables	466,451.43	(131,672)
Increase/(Decrease) in non-current provisions	-	-
Increase/(Decrease) in current provisions	-	-
Increase/(Decrease) in current financial liabilities	257,436	85,206
Increase/(Decrease) in other current liabilities	(69,624)	(399,520)
Increase/(Decrease) in other Non current liabilities	(21,132)	(14,438)
Cash generated from operations	**295,467**	**3,525,034**
Taxes paid (net of refunds)	-	(24,000)
Net cash generated from operating activities (A)	**295,467**	**3,501,034**
Cash flows from investing activities		
Purchase of fixed assets (Including capital advances)	(877,299)	(961,548)
Net cash (used in) investing activities (B)	**(877,299)**	**(961,548)**
Cash flows from financing activities		
Repayments of long-term borrowings	(21,422)	(918,009)
Short-term borrowings (net)	(162,514)	(1,105,120)
Interest paid	(16,213)	(28,951)
Net cash from financing activities (C)	**(200,150)**	**(2,052,080)**
Effect of exchange Foreign Currency Translation Reserve (D)	**(23,484)**	**22,592**
Net increase in cash and cash equivalents (A+B+C+D)	(805,468)	510,000
Cash and cash equivalents- Opening balance	1,414,983	904,983
Cash and cash equivalents at end of year (Refer note 5)	**609,515**	**1,414,983**

Accompanying notes to the consolidated financial statements 1 - 31

In terms of report attached

For V. Shivkumar & Associates
Chartered Accountants
Firm Registration Number: 112781W

V. Shivkumar
(Proprietor)
Membership Number : 042673
Mumbai, dated: May 22, 2024
UDIN:-24042673BKASBD9781

For and on behalf of the Board of Directors

Mangesh Pathak
Director
Mumbai, dated: May 22, 2024

V. SHIVKUMAR & ASSOCIATES
FRN: 112781W
MUMBAI - 400 053
CHARTERED ACCOUNTANTS

Prime Focus Technologies Inc.

Consolidated Statement of Changes in Equity

A. Equity Share Capital

in USD

Balance as at March 31, 2023	22
Change in equity share capital during the year	-
Balance as at Mar 31, 2024	22

B. Other Equity

in USD

Particulars	Securities Premium	Retained Earnings	Other Comprehensive Income	Total
Balance as at March 31, 2023	4,992,479	(5,662,703)	(199,609)	(869,834)
Changes during the year	-	484,992	(23,484)	461,508
Balance as at March 31, 2024	4,992,479	(5,177,711)	(223,093)	(408,325)

Accompanying notes to the consolidated financial statements
in terms of report attached

For V. Shivkumar & Associates
Chartered Accountants
Firm Registration Number: 112781W

V. Shivkumar
(Proprietor)
Membership Number : 042673
Mumbai, dated: May 22, 2024
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For and on behalf of the Board of Directors

Mangesh Pathak
Director
Mumbai, dated: May 22, 2024

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MUMBAI-400 053
CHARTERED ACCOUNTANTS

Prime Focus Technologies Inc.
Notes to consolidated financial statements

1 Corporate Information

Prime Focus Technologies Inc. ("the Holding Company") was incorporated on 21st February, 2013 in USA. Prime Focus Technologies Limited being the intermediate holding company and Prime Focus Limited being the ultimate holding company.

Principles of consolidation:

The consolidated financial statements relates to 'the holding company and its subsidiaries, which together constitutes the Group:

The Consolidated financial statements have been prepared on the following basis:

(i) The financial statements of the subsidiaries used in the consolidation are drawn up to the same reporting date as that of the holding Company.

(ii) The financial statements of the holding company and its subsidiaries are combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after fully eliminating adding together the intra-group transactions resulting in unrealized profits or losses in accordance with Indian Accounting Standard (IND AS- 110) "Consolidated Financial Statements".

(iii) The difference between the cost of investment in the subsidiaries and the share of net assets at the time of acquisition of shares in the subsidiaries are identified in the financial statements as Goodwill or Capital Reserve as the case may be.

(iv) The consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and appropriate adjustments are made to the financial statements of subsidiaries when they are used in preparing the consolidated financial statements that are presented in the same manner as the holding company's separate financial statements.

(v) Minority Interest's share of net profit of consolidated subsidiaries for the year is identified and adjusted against the income of the Group in order to arrive at the net income attributable to shareholders of the holding company.

(vi) Minority Interest's share of net assets of the consolidated subsidiaries is identified and presented in the consolidated Balance Sheet separate from liabilities and equity of the holding company's shareholders.

The list of the subsidiaries of the holding company which are included in the consolidation and the Group's holding therein are as under :

Subsidiaries	Principal Activity	Country of Incorporation	Percentage of Holding
DAX Cloud, ULC	Pre-Production	Canada	100%

2 Statement of significant accounting policies

a. Statement of Compliance

These consolidated financial statements have been prepared in accordance with the Indian Accounting Standards (referred to as "Ind AS") prescribed under Section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules as amended from time to time.

b. Basis of Preparation and presentation

These consolidated financial statements are prepared in accordance with the Indian Accounting Standards (Ind As) under the historical cost convention on the accrual basis, except for certain financial instruments which are measured at fair values, the provisions of the Companies Act,2013.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle Based on the nature of products and services and the time between acquisition of assets for processing and their realization in cash and cash equivalent, the Company has ascertained its operating cycle as twelve (12) months for the purpose of current or non-current classification of assets and liabilities.

Accounting policies have been consistently applied except where a newly issued accounting standard initially adopted or revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

c. Use of estimates

The preparation of consolidated financial statements in conformity with Ind As requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in the preparation of the consolidated financial statements are prudent and reasonable. Future results could differ due to this estimates and the difference between the actual results and the estimates are recognized in the year in which the results are known/materialize.

d. Borrowing cost

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. All other borrowing costs are recognized in profit or loss in the period in which they are incurred.

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

V. SHIVKUMAR & ASSOCIATES
FRN: 112781W
MUMBAI - 400 053
CHARTERED ACCOUNTANTS

e. Foreign currencies

The Company's Financial statements are presented in USD, which is also the companies functional currency. In preparing the financial statements, transactions in currencies other than the entity's functional currency (foreign currencies) are recognized at the rates of exchange prevailing at the dates of the transactions. The translation of financial statement of the foreign subsidiaries to the presentation currency is performed for assets and liabilities using the exchange rate in effect at the balance sheet date and for revenue, expenses and cash flow items using the average exchange rate for the respective periods.

Exchange differences on monetary items are recognized in profit or loss in the period in which they arise except for:

- exchange differences on foreign currency borrowings relating to assets under construction for further productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings;
- exchange differences on transactions entered into in order to hedge certain foreign currency risks.

f. Property, plant and equipment (PPE)

PPE are stated at cost of acquisition or construction. They are stated at historical cost less accumulated depreciation and impairment loss, if any. The cost comprises the purchase price and any directly attributable cost of bringing the asset to its working condition for its intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

Subsequent expenditure related to an item of PPE is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standards of performance. All other expenses on existing PPE, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the Statement of Profit and Loss for the period during which such expenses are incurred.

Depreciation is recognized so as to write off the cost of assets (other than freehold land and properties under construction) less their residual values using the straight-line method over their useful lives estimated by Management, which are similar to useful life prescribed under Schedule II of the Companies Act, 2013. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets. However, when there is no reasonable certainty that ownership will be obtained by the end of the lease term, assets are depreciated over the shorter of the lease term and their useful lives.

Cost of Leasehold improvements and Leasehold building is amortized over a period of lease.

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in profit or loss.

g. Intangible assets

Intangible assets are stated at cost less accumulated amortization and impairment. Intangible assets are amortized over their respective individual estimated useful lives on a straight-line basis, from the date that they are available for use. The estimated useful life of an identifiable intangible asset is based on a number of factors, including the effects of obsolescence, demand, competition, and other economic factors (such as the stability of the industry, and known technological advances), and the level of maintenance expenditures required to obtain the expected future cash flows from the asset. Amortization methods and useful lives are reviewed periodically, including at each financial year end.

Research costs are expensed as incurred. Software product development costs are expensed as incurred unless technical and commercial feasibility of the project is demonstrated, future economic benefits are probable, the Company has an intention and ability to complete and use or sell the software and the costs can be measured reliably. The costs which can be capitalized include the cost of material, direct labor, overhead costs that are directly attributable to preparing the asset for its intended use. Research and development costs and software development costs incurred under contractual arrangements with customers are accounted in the Statement of Profit and Loss.

h. Depreciation

Depreciation on tangible fixed assets is provided using the Straight Line Method (SLM) as per the useful lives of the assets
Cost of Leasehold improvements is amortized over a period of lease

i. Impairment

Impairment of tangible and intangible assets

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are allocated to individual cash-generating units, or otherwise they are allocated to the smallest of the cash-generating units for which a reasonable and consistent allocation basis can be identified.

V. SHIVKUMAR & ASSOCIATES
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MUMBAI - 400 053
CHARTERED ACCOUNTANTS

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognized immediately in profit or loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognized immediately in profit or loss.

j. Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

The Company as lessor

Amounts due from lessees under finance leases are recognized as receivables at the amount of the Company's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the Company's net investment outstanding in respect of the leases.
Rental income from operating leases is generally recognized on a straight-line basis over the term of the relevant lease. Where the rentals are structured solely to increase in line with expected general inflation to compensate for the Company's expected inflationary cost increases, such increases are recognized in the year in which such benefits accrue. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognized on a straight-line basis over the lease term.

The Company as lessee

Assets held under finance lease are initially recognized as assets of the Company at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the balance sheet as a finance lease obligation.

Lease payments are apportioned between finance expenses and reduction of the lease obligations so as to achieve a constant rate of interest on the remaining balance of the liability. Finance expenses are recognized immediately in profit or loss, unless they are directly attributable to qualifying assets, in which case they are capitalized in accordance with the Company's general policy on borrowing costs (see note 2.6 below). Contingent rentals are recognized as expenses in the periods in which they are incurred.

Rental expense from operating leases is generally recognized on a straight-line basis over the term of the relevant lease. Where the rentals are structured solely to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases, such increases are recognized in the year in which such benefits accrue. Contingent rentals arising under operating leases are recognized as an expense in the period in which they are incurred.

In the event that lease incentives are received to enter into operating leases, such incentives are recognized as a liability. The aggregate benefit of incentives is recognized as a reduction of rental expense on a straight-line basis, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

k. Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable for the sale of services. Revenue is shown net of applicable taxes.

Rendering of services

The Company provides a variety of digital technological solutions to the sports, film, broadcast, advertising and media industries.

Revenue from technical services is recognized on the basis of services rendered.

Revenue on time-and-material contracts are recognized as the related services are performed and the revenues from the end of the last billing to the balance sheet date are recognized as unbilled revenues. Revenue from services provided under fixed price contracts, where the outcome can be estimated reliably, is recognized following the percentage of completion method, where revenue is recognized in proportion to the progress of the contract activity. The progress of the contract activity is usually determined as a proportion of hours spent/ units processed up to the balance sheet date, which bears to the total hours/units estimated for the contract. If losses are expected on contracts these are recognized when such losses become evident.

Unbilled revenue is included within 'other financial assets' and billing in advance is included as deferred revenue in 'other current liabilities'

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CHARTERED ACCOUNTANTS

l. Income taxes

Tax expense comprises of current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities. Deferred income taxes reflects the impact of current year timing differences between taxable income and accounting income for the period and reversal of timing differences of earlier year.

Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to the taxes on income levied by same governing taxation laws. Deferred tax assets are recognized only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. In situations where the Company has unabsorbed depreciation or carry forward tax losses, deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits.

At each balance sheet date the Company re-assesses unrecognized deferred tax assets. It recognizes unrecognized deferred tax assets to the extent that it has become reasonably certain or virtually certain, as the case may be that sufficient future taxable income will be available against which such deferred tax assets can be realized.

The carrying amount of deferred tax assets are reviewed at each balance sheet date. The Company writes-down the carrying amount of a deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realized. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

m. Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

n. Provisions

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flow (when the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognized as an if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

o. Retirement and other employee benefits

Defined Contribution Plan

Social Security and Medicare

The Group contributes towards social security and Medicare. Liability in respect thereof is determined on the basis of contribution as required under the US State / Federal Rules.

Saving and investment plan u/s.401(k)

The Group has saving and investment plan u/s. 401(k) of internal Revenue Code of USA. Contributions are charged to the Statement of Profit and Loss in the period in which these accrue.

p. Cash flow statement

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

q. Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Initial recognition

Financial assets and liabilities are recognized when the Company becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability.

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Subsequent measurement

Financial assets at amortized cost

Financial assets are subsequently measured at amortized cost if they are held within a business whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at fair value through other comprehensive income

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows on specified dates that are solely payments of principal and interest on the principal amount outstanding and selling financial assets.

Financial liabilities

Financial liabilities are measured at amortized cost using the effective interest method.

Offsetting of financial instruments

The Company offsets a financial asset and a financial liability when it currently has a legally enforceable right to set off the recognized amounts and the company intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

r. Government grants

Government grants are not recognised until there is reasonable assurance that the Company will comply with the conditions attaching to them and that the grants will be received.

Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Company with no future related costs are recognised in profit or loss in the period in which they become receivable.

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3 Non Current Assets : (Current Year)

in USD

Asset Category	Gross Block						Depreciation						Net Block	
	As at 01.04.2023	Additions	Deductions	Transfer to Right to Use	Transfer From Right to Use	As at 31.03.2024	As at 01.04.2023	For the Year	Deductions	Transfer to Right to Use	Transfer From Right to Use	As at 31.03.2024	As at 31.03.2024	As at 01.04.2023
Property, Plant and Equipment														
Leasehold Improvements	2,384,987	-	-	-	-	2,384,987	682,504	260,044	-	-	-	942,548	1,442,439	1,702,483
Computer Hardware	2,911,607	60,258	-	-	-	2,971,865	2,565,192	123,953	-	-	-	2,689,146	282,719	346,415
Furniture and fixtures	449,888	-	-	-	-	449,888	398,149	10,033	-	-	-	408,182	41,706	51,739
Office equipment	7,815,109	-	-	-	-	7,815,109	7,764,024	9,575	-	-	-	7,773,599	41,510	51,085
TOTAL	13,561,590	60,258	-	-	-	13,621,849	11,409,869	403,605	-	-	-	11,813,474	1,808,374	2,151,722
Goodwill	13,816,555	-	-			13,816,555	-	-	-	-		-	13,816,555	13,816,555
Other Intangible Assets														
Softwares	10,720,784	1,582,005	-	-	-	12,302,789	8,454,980	764,633	-	-	-	9,219,613	3,083,175	2,265,803
Right to use Plant & Machinery (Trf from PPE)	696,691		-	-	-	696,691	656,954	39,737	-	-	-	696,691	0	39,737
TOTAL	11,417,475	1,582,005	-	-	-	12,999,480	9,111,934	804,370	-	-	-	9,916,304	3,083,175	2,305,540

3 (a) Deemed cost for Property, Plant and Equipment and Intangible Assets :
The Company has elected to use fair value as deemed cost for tangible and intangible assets as at the transition date in accordance with stipulations of Ind AS 101.

Non Current Assets : (Previous Year)

in USD

Asset Category	Gross Block						Depreciation						Net Block	
	As at 01.04.2022	Additions	Deductions	Transfer to Right to Use	Transfer From Right to Use	As at 31.03.2023	As at 01.04.2022	For the Year	Deductions	Transfer to Right to Use	Transfer From Right to Use	As at 31.03.2023	As at 31.03.2023	As at 01.04.2022
Property, Plant and Equipment														
Leasehold Improvements	2,384,987	-	-	-	-	2,384,987	421,940	260,564	-	-	-	682,504	1,702,483	1,963,047
Computer Hardware	2,729,208	182,399	-	-	-	2,911,607	2,467,674	97,518	-	-	-	2,565,192	346,416	261,534
Furniture and fixtures	435,234	14,654	-	-	-	449,888	388,834	9,315	-	-	-	398,149	51,739	46,400
Office equipment	7,815,109	-	-	-	-	7,815,109	7,754,239	9,785	-	-	-	7,764,024	51,085	60,869
TOTAL	13,364,538	197,053	-	-	-	13,561,590	11,032,687	377,181	-	-	-	11,409,869	2,151,723	2,331,851
Goodwill	13,816,555	-	-			13,816,555	-	-	-	-		-	13,816,555	13,816,555
Other Intangible Assets														
Softwares	10,463,166	257,618	-	-	-	10,720,784	6,999,753	1,455,227	-	-	-	8,454,980	2,265,803	3,463,413
Right to use Plant & Machinery (Trf from PPE)	696,691		-	-	-	696,691	512,152	144,802	-	-	-	656,954	39,737	184,539
TOTAL	11,159,857	257,618	-	-	-	11,417,475	7,511,906	1,600,030	-	-	-	9,111,934	2,305,540	3,647,952

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3 (b) Intangible assets under development ageing schedule

Particulars	31-Mar-24	31-Mar-23
Opening Balance	894,963	388,255
Add:		
Employee Benefit expenses	779,042	506,708
Direct overheads	130,000	-
	1,674,005	**894,963**
Less: Capitalized	(1,544,005)	-
Closing Balance	**130,000**	**894,963**

31-Mar-24	Less than 1 yr	1-2 yrs	2-3 yrs	More than 3 yrs
Project 3	130,000	-	-	-

31-Mar-23	Less than 1 yr	1-2 yrs	2-3 yrs	More than 3 yrs
Project 2	506,708	388,255	-	-

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		As at 31.03.2024	As at 31.03.2023
4	**Trade receivables**		
	Unsecured and Considered Good	1,514,700	1,489,126
	Considered doubtful	-	-
		1,514,700	1,489,126
	Allowance for doubtful receivables	-	-
	Total	**1,514,700**	**1,489,126**

The movement in allowance for doubtful receivables is as follows:	As at 31.03.2024	As at 31.03.2023
Balance as at the beginning of the year	-	-
Movement during the year (net)	-	-
Balance as at the end of the year	-	-

Trade receivables - ageing and other details	Undisputed trade receivables			Disputed trade receivables		
31-03-24	Considered good	Which have significant increase in credit risk	Credit impaired	Considered good	Which have significant increase in credit risk	Credit impaired
Not Due	753,666					
Less than 6 months	752,366		-	-	-	-
6 months - 1 year	8,668	-	-	-	-	-
1 - 2 year	-	-	-	-	-	-
2 - 3 year	-		-	-	-	-
More than 3 years	-	-	-	-	-	-
Total	1,514,700	-	-	-	-	-

Trade receivables - ageing and other details	Undisputed trade receivables			Disputed trade receivables		
31-03-23	Considered good	Which have significant increase in credit risk	Credit impaired	Considered good	Which have significant increase in credit risk	Credit impaired
Not Due	1,113,218					
Less than 6 months	336,137		-	-	-	-
6 months - 1 year	39,771		-	-	-	-
1 - 2 year			-	-	-	-
2 - 3 year	-		-	-	-	-
More than 3 years	-		-	-	-	-
Total	1,489,126	-	-	-	-	-

5	**Cash and cash equivalents**		
	Balances with banks on current account	609,515	1,414,981
	Total	**609,515**	**1,414,981**
6	**Others**		
	Loans to group company	7,153,364	6,752,165
	Deposits	156,400	156,400
	Unbilled Income	256,351	580,410
	Other loans and advances	236,500	-
	Total	**7,802,615**	**7,488,975**
7	**Other current assets**		
	Prepaid expenses	2,706,855	1,040,359
	Others	-	-
	Total	**2,706,855**	**1,040,359**

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in USD

8 Equity Share capital

	Number of Shares		Amount	
	As at Mar 31, 2024	As at Mar 31, 2023	As at Mar 31, 2024	As at Mar 31, 2023
Authorised shares:				
Equity Shares of $ 0.01 Each	2,235	2,235	22	22
Issued, subscribed and paid-Up:				
Equity Shares of $ 0.01 Each	2,235	2,235	22	22
Total	**2,235**	**2,235**	**22**	**22**

Movement in equity share capital

	Number of Shares		Amount	
	As at Mar 31, 2024	As at Mar 31, 2023	As at Mar 31, 2024	As at Mar 31, 2023
Equity Shares at the beginning of the year	2,235	2,235	22	22
Changes during the year				
	2,235	**2,235**	**22**	**22**

Details of Shareholders holding more than 5% shares in the company

	As at Mar 31, 2024	As at Mar 31, 2023	As at Mar 31, 2024	As at Mar 31, 2023
	No of shares	No of shares	%	%
Prime Focus Technologies Limited	**2,235**	**2,235**	**100%**	**100%**

Shares held by promoters at the end March 31, 2024

Promoter name	No of shares	% of total shares	% change during the year
Prime Focus Technologies Limited	2,235	100%	-

Shares held by promoters at the end March 31, 2023

Promoter name	No of shares	% of total shares	% change during the year
Prime Focus Technologies Limited	2,235	100%	-

9 Other Equity

	As at Mar 31, 2024	As at Mar 31, 2023
Securities premium account		
Balance at the beginning of the year	4,992,479	4,992,479
Add : Premium on issue of equity shares during the year	-	-
Less : Expenses on issue of equity shares / debentures	-	-
Less : Premium on redemption of bonds/ debentures (net of tax)	-	-
	4,992,479	**4,992,479**
General reserve		
Balance at the beginning of the year	-	-
		-
Other comprehensive income		
Balance at the beginning of the year	(199,609)	(222,201)
Movement during the year	(23,484)	22,592
	(223,093)	**(199,609)**
Surplus in the statement of profit and loss		
As per last balance sheet	(5,662,703)	(7,570,055)
Add: (Loss) / profit for the year	484,992	1,907,352
	(5,177,711)	**(5,662,703)**
	(408,325)	**(869,834)**

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		As at 31.03.2024	As at 31.03.2023
10	**Non Current Liabilities**		
	Financial Liabilities		
	(i) Borrowings		
a)	**Term Loan (Unsecured)**		
	Loan from U.S. Small Business Administration under Paycheck Protection Program [Refer note 10.1]	-	-
	Other loan and advances		
b)	Finance lease obligation [Refer note 10.2]	-	-
		-	-
	Less: Current maturity [Refer note 13]	-	-
	Total	-	-
10.1	Term Loan is unsecured loan granted by U.S. Small Business Administration under Paycheck Protection Program		
	During the year, a forgiveness was granted on 8th July, 2022 for the entire amount of loan from Silicon Valley Bank under the U.S Small Business Administration Paycheck Protection Program disbursed on 13th March 2021 amounting to $750,000, which is towards principal of $750,000 and $9,916.67 towards interest. The balance amount payable after the said forgiveness is Rs. NIL as on 31st March 2023.		
10.2	Lease obligations towards assets acquired under finance leases:		
	With in one year		
	Total minimum lease payments outstanding	-	21,741
	Future interest on outstanding lease payments	-	319
	Present value of minimum lease payments	-	21,422
	Later than one year and later than five years		
	Total minimum lease payments outstanding	-	-
	Future interest on outstanding lease payments	-	-
	Present value of minimum lease payments	-	-
	Finance lease obligations are secured by hypothecation of computer hardware taken on lease. Rate of interest ranges from 5.33% to 5.76% p.a. with maturity profile of 5 years.		
11	**Other non-current liabilities**		
	Deferred lease rent payable	24,450	45,582
	Optionally convertible preference shares	16,000,000	16,000,000
	Total	**16,024,450**	**16,045,582**

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in USD

		As at 31.03.2024	As at 31.03.2023
	Current liabilities		
12	**Borrowings (Unsecured)**		
	Loan from related party [Refer note 25 & Note No.12.1]	9,877,723	10,041,470
	Total	**9,877,723**	**10,041,470**
12.1	Unsecured loan taken from related party is repayable on demand with rate of interest @ 4.66 % p.a. to 6%		
13	**Current maturity of long-term borrowings:**		
	a) Loan from a related party	-	-
	b) Finance lease obligation [Refer note 10]	-	21,422
	c) Term Loan [Refer note 10]	-	-
	Total	**-**	**21,422**
14	**Trade payables**		
	Trade Payables	691,069	311,650
	Trade Payables to related party [Refer Note 25]	406,316	388,177
	Total	**1,097,385**	**699,828**

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15	**Others**		
	Accrued salaries and benefits	586,621	329,186
	Interest payable to group companies	4,277,821	4,275,962
	Capital Creditors	-	-
	Interest accrued but not due	-	-
	Others	(36)	(1,269)
	Statutory Dues	0	
	Total	**4,864,406**	**4,603,878**
16	**Other current liabilities**		
	Deferred Revenue	-	-
	Advances received from clients	-	-
	Total	**-**	**0**

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14.1 Trade Payables - ageing and other details

in USD

As at March 31, 2024	MSME	Others	Disputed dues- MSME	Disputed dues- others
Provisions	-	34,601	-	-
Not due	-	452,281	-	-
less than 1 years	-	585,447	-	-
1 to 2 years	-	607	-	-
2 to 3 years	-	24,451	-	-
more than 3 years	-	-	-	-
Total	-	**1,097,386**	-	-

As at March 31, 2023	MSME	Others	Disputed dues- MSME	Disputed dues- others
Provisions	-	35470	-	-
Not due	-	336,675	-	-
less than 1 years	-	185,748	-	-
1 to 2 years	-	24,451	-	-
2 to 3 years	-	117,484	-	-
more than 3 years	-	-	-	-
Total	-	**699,827**	-	-

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Note		For the year ended 31.03.2024	For the year ended 31.03.2023
17	**Employee benefits expense**		
	Salaries, bonus and allowances [Refe note no.23]	5,969,166	4,564,345
	Contribution to defined contribution plans, etc.	335,254	291,024
	Staff welfare expenses	21,304	34,054
	Total	**6,325,724**	**4,889,423**
18	**Other expenses**		
	Communication expenses	68,114	218,830
	Consumables and consumable stores	50,191	347,551
	Selling and marketing expenses	482,529	182,124
	Rent and equipment hire charges [Refer note 22]	668,684	629,733
	Electricity Charges	49,445	47,035
	Traveling and conveyance	214,351	114,559
	Insurance expenses	52,110	50,355
	Legal and professional fees	233,345	194,836
	Repairs and maintenance - Building	2,461	8,249
	Repairs and maintenance - equipment	553,675	677,490
	Rates and taxes	620	6,580
	House-keeping charges	15,181	17,865
	Bad Debts Written Off	-	670,244
	Provision for Doubtful Debts	-	(670,244)
	Miscellaneous expenses	(13,170)	91,992
	Total	**2,377,536**	**2,587,199**
19	**Finance costs**		
	Interest on term loan	-	2,124
	Interest on finance lease	545	6,828
	Interest on loan from holding company [Refer note no. 25]	5,983	19,494
	Interest on loan from fellow subsidiary [Refer note no. 25]	-	-
	Interest on others	-	100
	Bank charges	11,544	10,718
	Total	**18,072**	**39,263**

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		For the year ended 31.03.2024	For the year ended 31.03.2023
20	**Commitments**		
	Ultimate and intermediate holding company has given non disposal undertaking of certain percentage of its holding in the holding company for availing the term loan facilities by the Group to one of the lender.	-	-
21	**Earning per Common stock (EPS)**		
	EPS is calculated by dividing the profit/ (loss) attributable to the common stock holders by the weighted average number of common stock outstanding during the year, as under:		
a)	Net profit / (loss) for the year attributable to common stock shareholders for basic EPS	484,992	1,907,352
b)	Weighted average number of common stock shares outstanding during the year (for calculating basic EPS)	2,235	2,235
c)	Basic EPS	217	853
d)	Nominal Value Per Share	0.01	0.01
	Note: There are no dilutive potential equity shares. Hence diluted EPS is equal to basic EPS		
22	**Leases**		
	The Group has taken certain property on non cancellable operating lease for the period of 12 to 50 months. Lease payments recognized in the Statement of Profit and Loss for the year in respect thereof aggregate	668,684	629,733
	The following is a summary of future minimum lease rental commitments towards non-cancellable operating leases.		
	Due within one year	-	-
	Due in a period between one year and five years	-	-
	Due after five years	-	-
23	**Intangible asset under development**		
	During the year, the Group has capitalized the following expenses of revenue nature to the cost of intangible asset under development (Software) Consequently, expenses disclosed under the respective heads are net of the amounts capitalized by the Group.		
	Opening balance	894,963	388,255
	Add: Expenses incurred during the year:		
	Employee benefit expenses	779,042	506,708
	Software testing and design charges	-	-
	Less : Assets under development Capitalised During the Year	1,544,005	-
	Closing balance	**130,000**	**894,963**

24 Segment information

The Group operates in an integrated digital technological solutions setup. The entire operations are governed by the same set of risks and returns and hence have been considered as representing a single business segment. The said treatment is in accordance with the guiding principles enunciated in the Accounting Standard on Segment Reporting (AS-17).

Geographical Segment

Although the Group's major operating divisions are managed in United States of America , the following table shows the distribution of the Group's Income from Operations by geographical market, regardless of where the services were provided:

	Sale of services	
	Year ended March 31, 2024	Year ended March 31, 2023
United States of America (USA)	12,455,674	13,426,939
United Kingdom	9,525	-
Other Countries	46,775	32,924
	12,511,974	13,459,863

Segment Reporting of Non-current assets :
The Group presently operates entirly from its integrated digital technological solutions setup in USA. All non current assets of the Group is located at USA.

3 customer contributes individually to more than 10% of the group's total revenue for the year ended March 31, 2024 amounting to $ 45,47,600 (previous year 2 customer contributed individually to more than 10% amounting to $ $ 63,43,397)

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in USD

		For the year ended 31.03.2024	For the year ended 31.03.2023
25	**Related party disclosure:**		
(i)	**List of related parties with whom transactions have taken place during the year:**		
	Prime Focus Limited- Ultimate Holding Company (control exists)		
	Prime Focus Technologies Limited- Intermediate Holding Company (control exists)		
	Dneg North America Inc. (Formerly Prime Focus North America Inc.) - Fellow subsidiary		
	Prime Focus World NV - Fellow subsidiary		
	Prime Focus Technologies UK Limited- Fellow subsidiary		
	Prime Post (Europe) Limited - Fellow sbsidiary		
	Prime Focus Creative Services Canada Inc.- Fellow subsidiary		
	Prime Focus International Services UK Limited - Fellow subsidiary		
	Reliance Lowry Digital Imaging Services, Inc. - Fellow subsidiary		
	(Formarly Reliance Lowry Digital Imaging Services, Inc.)		
	Prime Focus MEAD FZ LLC - Fellow subsidiary		
	DE-FI Media Limited - Fellow subsidiary		
	PF World Mauritius Ltd. - Fellow subsidiary		
	Double Negative LA LLC - Fellow subsidiary		
	Ramakrishnan Sankaranarayanan - Key Management Personnel of Ultimate Holding Company		
	Naresh Malhotra- Key Management Personnel of Ultimate Holding Company		
	Namit Malhotra- Key Management Personnel of Ultimate Holding Company		
(ii)	**Particulars of related party transactions:**		
	Ultimate Holding Company		
	Prime Focus Limited		
	Management recharge		
	Repayment of Management recharge		
	Balance outstanding at the year end- credit (net)		
	Intermediate Holding Company		
	Prime Focus Technologies Limited		
	Technical services charges	(839,144)	(859,610)
	Technical services charges Advance	(1,615,444)	(559,354)
	Technical services charges Repayment	2,375,000	1,523,796
	Short term loan taken		
	Repayment of short term loan	-	500,000
	Conversion of Loan to Preference Share	-	-
	Repayment Reimbursement of expenses	-	-
	Interest on loan	(5,983)	(19,494)
	Corporate guarantee given to banks for credit facilities taken (Guarantees given jointly with Ultimate Holding Company)		
	Balance outstanding at the year end- credit (net)	(3,757,229)	(3,671,658)
	Fellow Subsidiary Companies		
a)	Dneg North America Inc. (Formerly Prime Focus North America Inc.)		
	Short term loan taken credit (net)		
	Repayment of short term loan taken	-	-
	Reimbursement of expenses credit (net)	(218,506)	(178,678)
	Repayment of Expenses	279,955	
	Short term loan taken repaid	-	-
	Interest on loans	-	-
	Balance Transfer From Double Negative LA LLC	-	-
	Balance outstanding at the year end- credit (net)	(243,478)	(304,927)
b)	Prime Focus Technologies UK Limited		
	Short term loan taken		
	Repayment of short term loan taken		-
	Interest on loans		
	Short term loan Given		751,170
	Repayment of Short term loan Given	(61,835)	(66,625)
	Interest on loans Receivable	272,534	268,311
	Reimbursement of expenses	57,985	-
	Balance outstanding at the year end- credit (net)	6,993,024	6,724,339

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c)	Reliance Lowry Digital Imaging Services, Inc. (Formarly Reliance Lowry Digital Imaging Services, Inc.)		
	Advances taken	-	-
	Advances given	-	882
	Balance outstanding at the year end	873	873
d)	Prime Focus Technologies PTE Ltd - Fellow subsidiary		
	Short Term Loan Given	160,000	
	Interest on loan taken	-	-
	Balance outstanding at the year end- credit (net)	160,000	-
e)	PF World Mauritius Ltd. - Fellow subsidiary		
	Balance of short term loan transferred from De-Fi Media Ltd	-	-
	Balance of Interest on loans Payable transferred from De-Fi Media Ltd	-	-
	Balance outstanding at the year end- credit (net)	10,322,242	10,322,242
	Key Management Personnel of Ultimate Holding Company - Ramakrishnan Sankaranarayanan		
	Remuneration	436,269	403,998
	Remuneration payable	16,227	10,769
	Key Management Personnel of Ultimate Holding Company - Naresh Malhotra		
	Personal guarantee given to banks for credit facilities taken	-	-
	Key Management Personnel of Ultimate Holding Company - Namith Malhotra	-	-
	Personal guarantee given to banks for credit facilities taken		
(iii)	There are no provisions for doubtful debts or amounts written off or written back in respect of debts due from / to related parties.		

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26 Statement of net assets, net profit / loss after tax and other comprehensive income attributable to owners

In USD

Sr No	Name of entity	Net Assets		Share in Profit / (loss)		Share in Other comprehensive Income		Share in Total Comprehensive Income	
		as % of consol net assets	Amount	as % of consol profit / loss	Amount	as % of consol profit / loss	Amount	as % of consol profit / loss	Amount
1	Prime Focus Technologies, Inc.	28%	(133,011)	98%	478,273	100%	(3)	98%	478,270
2	DAX PFT LLC	0%	-	0%	-	0%	-	0%	-
3	DAX Cloud ULC	72%	(338,319)	2%	11,418	0%	-	2%	11,418
		100%	(471,330)	100%	489,690	100%	(3)	100%	489,687
	Add/(Less): Effects of Inter Company	0%	-	0%	-	0%		0%	-
	Less: Minority Interest in all subsidiaries	0%	-	0%	-	0%	-	0%	-
		100%	(471,330)	100%	489,690	100%	(3)	100%	489,687

27 Income tax

A. Amounts recognised in profit or loss

	Year ended March 31, 2024	Year ended March 31, 2023
Current tax		
- in respect of current year (a)	25,896	79,126
- in respect of prior years (b)	-	-
Deferred tax		
- in respect of current year (c)	-	-
- in respect of prior years (d)	-	-
Total income tax expense recognised in the current year (a)+(b)+(c)+(d)	**25,896**	**79,126**

B. Income tax recognised in other comprehensive income

	Year ended March 31, 2024	Year ended March 31, 2023
Re-measurement of defined benefit	-	-
	-	-
Total income tax expense recognised in the current year (a)+(b)+(c)+(d)	-	-

C. The income tax expenses for the year/ period can be reconciled to the accounting profit as follows:

	March 31, 2024		March 31, 2023	
	% of PBT	Amount	% of PBT	Amount
Profit before tax		510,888		1,986,479
Tax using Company's domestic tax rate	21.00%	107,287	21.00%	417,160
Effect of:				
Non-deductible expenses		224,839		429,313
Effect of Tax Depreciation		(266,516)		(355,522)
NOL Carryover Available		(39,714)		(411,825)
Total Tax Expenses		**25,896**		**79,126**

D. Deferred tax balances

The Group has carried forward losses against which deferred tax asset has not been recognised are as follows;

Particulars	Amount	Will expire in FY
Unabsorbed business loss as at 31-Mar-2019	2,132,919	2038-39
Unabsorbed business loss as at 31-Mar-2020	8,961,330	2039-40
Unabsorbed business loss as at 31-Mar-2021	5,964,866	2039-40

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Prime Focus Technologies Inc.
Notes to consolidated financial statements

in USD

28 Financial Instruments

(A) Fair Value Measurements

	As at		As at	
	31.03.2024	31.03.2023	31.03.2024	31.03.2023
	Carrying Value		Fair Value	
i Financial Assets:				
Measured at amortised cost				
Trade receivables	1,514,700	1,489,126	1,514,700	1,489,126
Cash and cash equivalents	609,515	1,414,981	609,515	1,414,981
Other financial assets	7,802,615	7,488,975	7,802,615	7,488,975
Total financial assets measured at amortised cost	9,926,830	10,393,082	9,926,830	10,393,082
ii Financial Liabilities:				
Measured at amortised cost				
Borrowings	9,877,723	10,062,892	9,877,723	10,062,892
Trade payables	1,097,386	699,827	1,097,386	699,827
Other financial liabilities	4,864,406	4,603,878	4,864,406	4,603,878
Total financial liabilities measured at amortised cost	15,839,515	15,366,596	15,839,515	15,366,596

The management assessed that the fair value of cash and cash equivalents, trade receivables, borrowings, trade payables & other financial assets and liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

iii Fair value hierarchy

a. Level 1 - Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;

b. Level 2 – inputs are inputs, other than quoted prices included within Level 1, that are observable for the assets or liability, either directly or indirectly; and

c. Level 3 - Level 3 inputs are unobservable inputs for the asset or liability.

D. Financial assets and liabilities measured at amortized cost for which fair values are disclosed.

Particulars	Fair value measurement using		
	Quoted prices in active markets	Significant observable inputs	Significant unobservable inputs
	(Level 1)	(Level 2)	(Level 3)
As at March 31, 2024			
Financial liabilities			
Borrowings	-	-	9,877,723
Total	-	-	9,877,723
As at March 31, 2023			
Financial liabilities			
Borrowings	-	-	10,062,892
Total	-	-	10,062,892

(B) Capital Risk Management

The Group objectives when managing capital are to safeguard the company's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

The Group's management sets the amounts of capital required in proportion to risk. The Group manages its capital structure and makes adjustments to it in light of changes in economic conditions and risk characteristics of the underlying assets.

The holding company and ultimate holding company continues to provide support the Group whenever required. Further Ultimate holding company and intermediate holding company have given non disposal undertaking to one of the lender for availing the term loan facilities.

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(C) Financial risk management

A wide range of risks may affect the Group's business and financial results. Amongst other risks that could have significant influence on the Company are market risk, credit risk and liquidity risk.

The Board of Directors manage and review the affairs of the Group by setting up short term and long-term budgets by monitoring the same and taking suitable actions to minimize potential adverse effects on its operational and financial performance.

i) Credit risk

Credit risk is the risk of financial loss to the Group if a client or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's receivables from clients and cash. Management has a credit policy in place and the exposure to credit risk is monitored on an on-going basis.

The Group has a low credit risk in respect of its trade receivables, its principal customers being national broadcasters and major organization's which the Group has worked with for a number of years. However, as the Group grows its customer base and works with more independent producers it will experience an increased credit risk environment. The Group is also exposed to credit risk in respect of its cash and seeks to minimize this risk by holding funds on deposit with major financial institutions.

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk was USD 9,926,830 and USD 10,393,082 as at March 31 2024 and March 31, 2023 respectively, being the total of the carrying amount of the balances with banks, bank deposits, trade receivables, unbilled revenue and other financial assets.

5 customer contributes individually to more than 10% of outstanding trade receivables as at March 31, 2024 amounting to USD 9,88,069/- (P.Y.- 3 Customer amounting to USD USD 802652/-) and 2 customer contributes individually to the whole of unbilled revenue as that date amounting to USD 2,52,500/- (P.Y. – 2 Customers amounting to USD 5,15,000).

ii) Liquidity risk Management

Liquidity risk is the risk that the Group is unable to meet its payment obligations associated with its financial liabilities when they fall due. Ultimate responsibility for liquidity risk management rests with the Management, which has developed a liquidity management forecasting process which aims to ensure that the Group has sufficient cash at all times to meet liabilities as they fall due.

Working capital requirements are generally provided from operational cash flow or through the Group's Borrowings.

The following analysis sets out the maturities of financial assets and liabilities, including amounts maturing more than twelve months. For liability maturities more than 12 months, see also note 10 and 13.

Liquidity Risk

At 31 March 2024	Less than 3 months	Between 3 and 12 months	More than 12 months	Total
Current financial assets				
Trade receivables	1,514,700	-	-	**1,514,700**
Cash and cash equivalents	609,515	-	-	**609,515**
Other financial assets	7,802,615	-	-	**7,802,615**
	9,926,830	-	-	**9,926,831**
Current financial liabilities				
Borrowings	9,877,723	-	-	**9,877,723**
Trade payables	1,097,386	-	-	**1,097,386**
Other financial liabilities	4,864,406	-	-	**4,864,406**
	15,839,515	-	-	**15,839,515**

At 31 March 2023	Less than 3 months	Between 3 and 12 months	More than 12 months	Total
Current financial assets				
Trade receivables	1,489,126	-	-	**1,489,126**
Cash and cash equivalents	1,414,981	-	-	**1,414,981**
Other financial assets	7,488,975	-	-	**7,488,975**
	10,393,082	-	-	**10,393,082**
Current financial liabilities				
Borrowings	10,062,892	-	-	**10,062,892**
Trade payables	699,827	-	-	**699,827**
Other financial liabilities	4,603,878	-	-	**4,603,878**
	15,366,596	-	-	**15,366,596**

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iii **Market risk**

The primary market risks to which the Group is exposed are foreign currency.

Foreign currency risk management

Considering the countries and economic environment in which the Group operates, its operations are subject to risks arising from fluctuations in exchange rates in those countries. The risks primarily relate to fluctuations in Canadian Dollar against the respective functional currencies of the Company and its subsidiaries.

The following analysis has been worked out based on the net foreign currency exposures as of the date of Balance sheet which could affect the statement of profit and loss and other comprehensive income and equity.

The following table sets forth information relating to foreign currency exposure:

Particulars	Foreign Currency	As at March 31st 2024		As at March 31st 2023	
	Denomination	Foreign Currency Inputs	USD	Foreign Currency inputs	USD
Financial Assets	CAD	-	-	-	-
	GBP	-	-	-	-
	EURO	-	-		
Financial Liabilities					
	CAD			3,670	2,713
	EURO	(73,202)	(66,625)		
	GBP	5,193,892	5,454,663	-	-

Interest rate risk management

The Group was exposed to interest rate risk as it had borrowed funds at both fixed and floating interest rates. The risk is managed by the group by maintaining an appropriate mix between fixed and floating rate borrowings. The sensitivity analysis for exposure to interest rates on borrowings as at the end of the reporting period indicates that a 50 basis point increase in floating interest rates at the reporting date would have decreased equity and profit for the year by USD 333 for March 2024 and by USD 48,000 for March 2023 respectively and a 50 basis point decrease in floating interest rates at the reporting date would have increased equity and profit by the same amount respectively.

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Note	2
29	Prime Focus Technologies Inc. acquire DAX business of Sample Digital Holdings, LLC a California limited liability company on 04th April 2014. Since then there has been substantial growth in Revenue and Profitability of the Company. Therefore management is of opinion that their is no need to impairment in goodwill.
30	**Significant accounting judgements, estimates and assumptions** The preparation of the Consolidated financial statements requires management to make judgements, estimates and assumptions as described below that affect the reported amounts and the accompanying disclosures. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future years.
31	Previous year's figures have been regrouped / reclassified wherever necessary to corresponds with the current year's classification / disclosure.

For V. Shivkumar & Associates
Chartered Accountants
Firm Registration Number: 112781W

V. Shivkumar
(Proprietor)
Membership Number : 042673
Mumbai, dated: May 22, 2024
UDIN:-24042673BKASBD9781

For and on behalf of the Board of Directors

Mangesh Pathak
Director
Mumbai, dated: May 22, 2024

V. SHIVKUMAR & ASSOCIATES
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